

COUNTY OF LOS ANGELES

DEPARTMENT OF PARKS AND RECREATION

"Parks Make Life Better!"

Russ Guiney, Director

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Executive Offices • 433 South Vermont Avenue • Los Angeles, CA 90020-1975 • (213) 738-2961

May 01, 2012

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

ANNEXATION OF TERRITORY INTO LANDSCAPING AND LIGHTING ACT DISTRICT NUMBER 4, ZONE NUMBER 80 (ENTRADA) IN THE UNINCORPORATED AREA OF VALENCIA (SUPERVISORIAL DISTRICT 5) (3 VOTES)

SUBJECT

This action is to annex territory into Landscaping and Lighting Act District Number 4, Zone Number 80 (Entrada) in the unincorporated community of Valencia; preliminary approval and filing of the Engineer's Report for the annexation and levying of assessments; and setting a date, time, and place for hearing protests thereon.

IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Adopt the Resolution of Intention to annex territory into Landscaping and Lighting Act District Number 4, Zone 80 (Entrada), and to conduct a protest ballot proceeding for the levy of annual assessments related thereto commencing in Fiscal Year 2012-13 pursuant to the provisions of the California Constitution Article XIIID and the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of the State of California.
- 2. Approve and file the Engineer's Report prepared in accordance with Article 4, Section 22565 of Chapter 1 of Part 2 of Division 15 of the Streets and Highways Code regarding the proposed assessment for landscape maintenance purposes for County Landscaping and Lighting Act District Number 4, Zone Number 80 (Entrada), pursuant to provisions of the Landscaping and Lighting Act of 1972.
- 3. Set the public hearing (protest hearing) date for the proposed annexation and levying of the

proposed assessments as required by the California Constitution and the Landscaping and Lighting Act of 1972.

4. Instruct the Executive Officer of the Board of Supervisors to give notice of the public hearing (protest hearing) and to mail ballots to the property owners of record at least 45 days prior to the scheduled public hearing (protest hearing) date of June 26, 2012 pursuant to the provisions of the California Constitution Article XIIID and the California Government Code Section 53753.

IT IS FURTHER RECOMMENDED THAT, AT THE CONCLUSION OF THE PUBLIC HEARING (PROTEST HEARING), YOUR BOARD:

- 1. Find the approval of this action categorically exempt from the California Environmental Quality Act (CEQA), according to Section 15273(a)(1)(2)(3)(4) of the State CEQA Guidelines because CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies. The project is also statutorily exempt from CEQA because it is for the purpose of (1) meeting operating expenses including employee wage rates and fringe benefits, (2) purchasing and leasing supplies, equipment or materials, (3) meeting financial reserve needs and requirements and/or (4) obtaining funds for capital projects necessary to maintain service within existing service areas, pursuant to Section 21080(b) 8(A)(B)(C) of the Public Resources Code.
- 2. Instruct the Executive Officer to manage the tabulation of assessment ballots submitted, and not withdrawn, in support of or in opposition to the proposed assessment for Landscaping and Lighting Act District Number 4, Zone Number 80 (Entrada), and determine whether a majority of the ballots submitted in favor of the assessment in the zone exceed those submitted in opposition.
- 3. Find that the territory to be annexed into Landscaping and Lighting Act District Number 4, Zone Number 80 (Entrada), will be benefited by such annexation, and order the boundary of Landscaping and Lighting Act District Number 4 to be altered to include such territory.
- 4. Order changes in any of the matters provided in the Engineer's Report, including changes in the improvements, the proposed diagrams, or the proposed assessments as described in the Engineer's Report if needed.
- 5. For the territory to be annexed, if the ballots submitted in favor of the annexation assessments (and Consumer Price Index) factor exceed those submitted in opposition, adopt the Resolution Ordering the Annexation of Territory into Landscaping and Lighting Act District Number 4 and the levying of an Assessment for the Annexed Territory for Fiscal Year 2012-13, confirming the diagrams and assessments, either as originally proposed or changed by it, and ordering the maintenance and operation work to be done for the annexed territory. The adoption of this resolution shall constitute the levy of assessments for the Fiscal Year referred to in the Engineer's Report.
- 6. Designate the Director of the Department of Parks and Recreation to accept, on behalf of Landscaping and Lighting Act District Number 4, the Grants of Easement to designated landscaped areas and open space pursuant to the tract conditions approved for the annexed territory.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

These recommended actions are for your Board of Supervisors (Board) to annex additional territory to Landscaping and Lighting Act (LLA) District No. 4; to establish the proposed annual assessment

for the annexed areas commencing in Fiscal Year (FY) 2012-13 to provide landscape maintenance services; to approve and file the enclosed Engineer's Report; and to set a date for a public hearing (protest hearing) on this matter. These actions are pursuant to the provisions of the California Constitution and the Landscaping and Lighting Act of 1972 (Act), Part 2 of Division 15 of the Streets and Highways Code of the State of California and provide funding for the operation of the aforementioned County administered District Zones.

The Resolution of Intention to levy and collect assessment is limited to the proposed annexation areas in LLA District No. 4, Zone No. 80 (Entrada), for FY 2012-13.

A separate Board letter including another Resolution of Intention is being filed to set a date for a public hearing (protest hearing) to establish the annual per parcel direct assessments for the existing zones within LLA District Nos. 1, 2, and 4.

On July 22, 1997, your Board approved the formation of LLA District No. 4 and Zones therein for the purpose of providing landscaping in County administered LLA District and Zones therein pursuant to provisions of the Act. As the governing body, the Board is responsible for levying the annual assessment for landscape and park maintenance purposes.

On June 12, 1979, your Board approved a method of distributing maintenance costs on the basis of land use and/or benefit and this same method will be used to calculate the Fiscal Year (FY) 2012-13 assessments. This method and the proposed assessments on the various lots or parcels are shown in detail in the Engineer's Report.

LLA DISTRICT NO. 4, ZONE NO. 80 (ENTRADA)

The developer of the LNR's unincorporated area known as Entrada (Tract No. 14822) has requested the annexation of 276,950 sq. ft. of landscaped areas north-west to the crossroad of The Old Road and Magic Mountain Parkway in the unincorporated area of Valencia, to be known as Zone No. 80 (Entrada).

The proposed annexation of this territory will provide the method to raise funds for the maintenance and servicing of the landscaped areas installed by the developer, which will provide special benefits to the properties within the annexed territory. These landscape improvements may consist of shrubs, plant materials, trees, automated irrigation systems, stamped concrete, drainage devices, and other appurtenant improvements.

Implementation of Strategic Plan Goals

These recommended actions will further the County's Strategic Plan Goal of Operational Effectiveness (Goal 1), by providing the continuation of services to maintain the landscaped areas and appurtenant improvements which benefit those who live within these Zones, and providing for the delivery of a customer-oriented municipal service that improves the quality of life in those areas. Furthermore, fiscal sustainability of landscape services will be ensured by performing this annexation and the establishment of the assessment to provide the funding necessary for the operation and maintenance of new landscaping and appurtenant improvements within this annexed territory.

FISCAL IMPACT/FINANCING

There is no fiscal impact to the General Fund, other than there may be assessments for parcels

owned by County of Los Angeles. Services provided in the LLA Districts, and Zones therein, are funded by the benefit assessments established by the Board.

The recommended new annual (FY 2012-13) benefit assessment rate of \$6,276.69 per Equivalent Dwelling Unit (EDU) for LLA District No. 4, Zone No. 80 (Entrada) will provide the funds needed for maintenance, servicing and administrative costs associated with only Phase 1 improvements of 170,900 sq. ft.

The recommended maximum annual (FY 2012-13) benefit assessment rate of \$10,171.62 per EDU for LLA District No. 4, Zone No. 80 (Entrada) is calculated based on need to provide the funds for maintenance, servicing and administrative costs associated with Phases 1 and 2 improvements of a total of 276,950 sq. ft., at Zone's "buildout."

Commencing with FY 2013-14, the maximum assessment (maximum assessment rate for FY 2012-13) may be increased annually for inflation, based on the percentage increase in the Consumer Price Index, All Urban Consumers, for the Los Angeles-Riverside-Orange County Area (CPI), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Department of Parks and Recreation (Department) shall use a revised index or comparable system for determining fluctuations in the cost of living, as approved by the Board.

OPERATING BUDGET IMPACT

The recommended action will have no impact on the Department's operating budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Act sets forth procedures that must be followed for any fiscal year during which an assessment is to be levied. The Act, Government Code Section 53753, and the California Constitution have established procedures that must be followed for the levy of any new or increased assessments. As part of these proceedings, the Act requires that your Board adopt a Resolution Initiating Proceedings that generally describe any proposed improvements or substantial changes in existing improvements and calls for the Engineer's Report to be prepared. On April 17, 2012, the Board adopted a Resolution Initiating Proceedings.

Your Board must order the Director of the Department to have prepared and filed an Engineer's Report (Report) in accordance with Section 22565 et seq. of the Streets and Highways Code. The Report will show an estimate of, and a proposed assessment to pay for, the costs of providing landscape maintenance services. The Act provides a method of funding a landscape assessment district with assessments being collected via the consolidated tax bill. This provides for the assessment of landscape maintenance costs against the benefiting properties.

Proceedings for the annexation of territory to an existing Los Angeles County LLA District under the Act are initiated by resolution pursuant to Section 22606 of the Streets and Highways Code and Article XIIID, Section 4 of the California Constitution. In annexation proceedings, the Resolution Ordering the Annexation of Territory and the Levying of Assessment, the Report, the Notices of Hearing, and Right of Majority Protest are limited to the territory proposed to be annexed pursuant to Section 22608 of the Streets and Highways Code.

The passage of Proposition 218 in November 1996 added Articles XIIIC and XIIID to the California Constitution. Article XIIID contains additional requirements to those found in the Act that must be

followed for the levying of new or increased assessments and the filing of the Engineer's Report. LLA District No. 4, Zone No. 80 (Entrada) requires an assessment ballot to approve the proposed new assessment.

You Board is required to conduct a public hearing (protest hearing) upon this proposed assessment not less than 45 days after mailing the notice of the proposed assessment to the property owners. A notice and ballot will be mailed to the property owners of record within LLA District No. 4, Zone No. 80 (Entrada) in compliance with Article XIIID of the California Constitution.

The developer is required to install the landscape improvements, as approved by the District and grant to the District maintenance easements for designated landscaped areas. When the required landscape improvements are completed to the satisfaction of the District and executed Grants of Easement are received, the designated landscaped areas will be accepted by the District for maintenance and servicing.

County Counsel has approved the enclosed resolutions as to form.

ENVIRONMENTAL DOCUMENTATION

The proposed action is exempt from the California Environmental Quality Act (CEQA), according to Section 15273(a)(1)(2)(3)(4) of State CEQA Guidelines because CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies. The action is also statutorily exempt from CEQA because it is for the purpose of (1) meeting operating expenses including employee wage rates and fringe benefits, (2) purchasing and leasing supplies, equipment or materials, (3) meeting financial reserve needs and requirements and/or (4) obtaining funds for capital projects necessary to maintain service within existing service areas, pursuant to Section 21080(b) 8(A)(B)(C) of the Public Resources Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these recommendations will be a benefit to the local community through the beautification, maintenance, and servicing of landscaped areas, and appurtenant improvements.

CONCLUSION

It is requested that an adopted copy of this document be retained by the Executive Officer of the Board, one adopted copy of the letter and resolutions to be forwarded to the Chief Executive Office, Assessor, County Counsel, Auditor Controller Tax Division (Attention Kelvin Aikens), and two adopted copies be forwarded to the Department of Parks and Recreation, Special Districts Section.

Respectfully submitted,

RUSS GUINEY

Director

RG:KH:RA MK:IB:rc

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Clerk of the Board
Auditor Controller

COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

RESOLUTION OF INTENTION
TO ANNEX TERRITORY INTO LOS ANGELES COUNTY
LANDSCAPING AND LIGHTING ACT (LLA) DISTRICT NO. 4;
AS ZONE NO. 80 (ENTRADA) AND
TO LEVY AND COLLECT ANNUAL ASSESSMENTS
WITHIN THE ANNEXED TERRITORY
COMMENCING IN FISCAL YEAR 2012-2013

WHEREAS, the Board of Supervisors of the County of Los Angeles previously approved the formation of Los Angeles County Landscaping and Lighting Act (LLA) District No. 4 and Zones therein for the purpose of providing funds for the maintenance and operation of landscape improvements located therein pursuant to the Landscaping and Lighting Act of 1972 of Part 2 of Division 15 of the Streets and Highways Code of the State of California (the Act); and

WHEREAS, the Board of Supervisors, on April 17, 2012 adopted a Resolution Initiating Proceedings for the annexation of territory to Los Angeles County LLA District No. 4 to be designated as Zone No. 80 (Entrada) and the proposed levy of annual assessments for landscape maintenance purposes commencing in the 2012-13 fiscal year as required by law; and

WHEREAS, the Board has approved and filed the Engineer's Report as required by law.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles, State of California:

SECTION 1. That the public interest and convenience require, and that it is the intention of said Board of Supervisors to authorize, that this benefited territory be annexed into Los Angeles County LLA District No. 4, as Zone No. 80 (Entrada).

SECTION 2. That the public interest and convenience require, and that it is the intention of said Board of Supervisors to order, that the expense necessary for the installation, maintenance, repairs, replacement, utilities, care, supervision and all other items necessary for proper maintenance and operation of the landscape improvements installed by the developer in connection with Zone No. 80 (Entrada) within Los Angeles County LLA District No. 4, shall be assessed upon each lot or parcel of land lying within, in proportion to the special benefits received from the landscape improvements and which should be assessed to pay said annual expenses associated with said improvements. The Engineer's Report on file with the Executive Officer-Clerk of the Board of Supervisors describes the boundary of the said annexed territory, the location and extent of the improvements within the annexed territory, and the proposed proportional special benefit assessment on each lot or parcel of land included therein.

SECTION 3. That in subsequent fiscal years the Board of Supervisors may thereafter impose the assessment at any rate or amount that is less than or equal to the amount authorized for the fiscal year 2012-13, increased each year based upon the Consumer Price Index, All Urban Consumers for the Los Angeles-Riverside-Orange County Area (CPI), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor, without conducting another mailed ballot election. The Engineer shall compute the percentage of difference between the CPI for March of each year and the CPI for the previous March, and shall then adjust the existing assessment by an amount not to exceed such percentage for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index,

the Engineer shall use the revised index or a comparable system as approved by the Board for determining fluctuations in the cost of living.

SECTION 4. That the amounts to be assessed for the expense of such installation, maintenance and operation of the work or improvements above described shall be levied and collected in the same manner and by the same officers as taxes for County purposes are levied and collected and shall be disbursed and expended for installation, maintenance, operation and service of the improvements within the annexed territory, as described in the Engineer's Report and Section 2 of this Resolution.

SECTION 5. That the boundary of the territory proposed to be annexed consists of the areas shown on the approved Engineer's Report.

SECTION 6. That the proposed assessments are subject to majority protest of the property owners within the proposed Annexation Territory pursuant to the provisions of the California Constitution. A ballot and public hearing notice will be mailed to the property owners of record within the Annexation Territory at least 45 days before the public hearing. The ballots will be weighted by the amount of assessment to be paid by each property within the Annexation Territory. The territory will not be annexed, and the proposed assessment for that Zone will be abandoned if the weighted majority of ballots submitted are opposed to the proposed new assessments.

SECTION 7. That the proceedings for the levying of assessments shall be taken under and in accordance with the Landscaping and Lighting Act of 1972 (Division 15, Part 2, of the Streets and Highways Code), and in accordance with Section 53753 of the Government Code and Article XIIID of the California Constitution.

SECTION 8. That on June 26, 2012 at the hour of 9:30 a.m. of said day, is the day and hour, and the Chambers of the Board of Supervisors of the County of Los Angeles, Room 381, Kenneth Hahn Hall of Administration, 500 West Temple Street (corner of Temple Street and Grand Avenue), Los Angeles, California 90012, is the place fixed by said Board of Supervisors for the public hearing; and is the time and place any and all persons may hear and be heard on these matters.

SECTION 9. The Clerk of the Board of Supervisors is hereby authorized and directed to give notice of the public hearing and mail Assessment Ballots to all property owners within the annexed territory as shown on the latest Los Angeles County Assessor Records as set forth in Section 6 in accordance with law and Article XIIID of the California Constitution.

The foregoing resolution was on the _____ day of _____,
2012, passed by the Board of Supervisors of the County of Los Angeles and exofficio the governing body of all other special assessment and taxing districts,
agencies and authorities for which said Board so acts.

SACHI A. HAMAI, Executive Officer-Clerk of the Board of Supervisors of the County of Los Angeles

| Ву: | | |
|-----|--------|--|
| | Deputy | |

APPROVED AS TO FORM BY ACTING COUNTY COUNSEL

JOHN KRATTLI

Principal Deputy County Counsel

COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

RESOLUTION ORDERING THE ANNEXATION OF TERRITORY INTO LOS ANGELES COUNTY LANDSCAPING AND LIGHTING ACT DISTRICT NO. 4; AND THE LEVYING OF AN ASSESSMENT FOR THE ANNEXED TERRITORY FOR FISCAL YEAR 2012-2013

WHEREAS, the Board of Supervisors of the County of Los Angeles on

May 1, 2012 adopted a Resolution of Intention to Annex Territory into Los

Angeles County Landscaping and Lighting Act (LLA) District No. 4, and to order
the Levying of Assessments for the Annexed Territory for Fiscal Year 2012-2013;
and

WHEREAS, the levying of an assessment is for the purpose of providing funds for the provision of landscape maintenance services in the annexed territory known as LLA District No. 4, Zone No. 80 (Entrada), pursuant to provisions of the Landscaping and Lighting Act of 1972; and

WHEREAS, the Board has approved and filed the Engineer's Report as required by law; and

WHEREAS, the Executive Officer of the Board of Supervisors did cause the notice of public hearing to be mailed to all property owners within the territory subject to the proposed annexation and levying of an assessment at least 45 days prior to the date set for the hearing; and

WHEREAS, the Department of Parks and Recreation has mailed an assessment ballot and a notice to property owners of identified parcels within the territory proposed for annexation, pursuant to Article XIIID of the California Constitution, to indicate support of or opposition to the matter of an assessment; and

WHEREAS, said Board of Supervisors has heard all testimony and evidence with regard to the annexation and levying of an assessment, and has tabulated all returned assessment ballots concerning the proposed assessment for said Zone and has made a determination that the majority of ballots returned in favor of the levy exceeds those submitted in opposition, and that no majority protest exists.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles, State of California:

SECTION 1. That this Board hereby finds that the public interest and convenience require the maintenance of the proposed and future park, landscaping and appurtenant improvements located within the boundary of LLA District No. 4, Zone No. 80 (Entrada).

SECTION 2. That this Board hereby determines that the levying of assessments for LLA District No. 4, Zone No. 80 (Entrada), is required to provide the total funding needed to finance the installation and/or maintenance of the existing and future park, landscaping and appurtenant improvements.

SECTION 3. That this Board hereby orders the annexation of additional territory into LLA District No. 4, Zone No. 80 (Entrada), pursuant to provisions of the Landscaping and Lighting Act of 1972; and hereby orders the maintenance and operation work to be done as set forth and described in said Report.

<u>SECTION 4.</u> That this Board hereby determines that the territory identified in the Assessment Diagram of the Engineer's Report will be benefited by annexation to the LLA District No. 4, Zone No. 80 (Entrada), and hereby orders that the boundaries of said District be altered to include such benefited territories.

SECTION 5. That the Landscaping and Lighting Act District diagram and assessment as set forth in said Report, or as modified, are hereby approved, confirmed and adopted by this Board.

SECTION 6. That the adoption of this Resolution constitutes the levy of an assessment for the fiscal year commencing July 1, 2012 and ending June 30, 2013.

SECTION 7. That the amount to be assessed for the expenses of the installation maintenance, operation and service as described in said Reports and Resolution shall be levied and collected in the same manner and by the same officers as taxes for County purposes are levied and collected, and shall be disbursed and expended for maintenance, operation, and service of the said District, all as described in the Engineer's Report and the Resolution of Intention.

SECTION 8. That the Executive Officer of the Board of Supervisors is hereby ordered and directed to file a certified copy of the landscape maintenance diagrams and assessments, together with a certified copy of this Resolution upon its adoption, with the County Auditor Controller.

| The foregoing Resolution was on the | e, 2012, |
|---|---|
| adopted by the Board of Supervisors | s of the County of Los Angeles and ex-officio |
| the governing body of all other spec | ial assessment and taxing districts, agencies |
| and authorities for which said Board | so acts. |
| | SACHI A. HAMAI, Executive Officer- Clerk of the Board of Supervisors of the County of Los Angeles |
| APPROVED AS TO FORM BY ACTING COUNTY COUNSEL | By:Deputy |

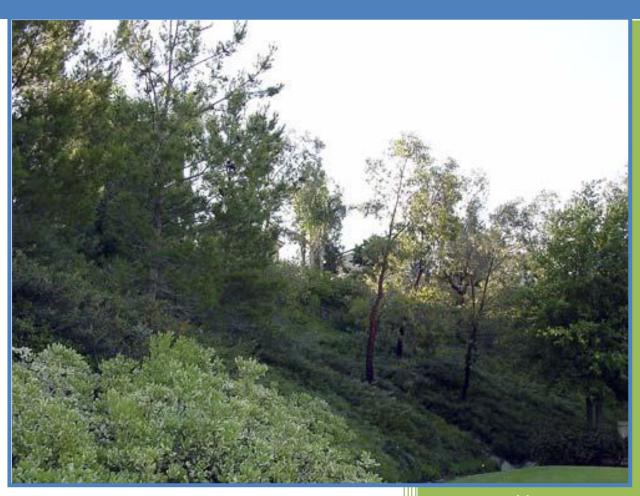
JOHN KRATTLI

Principal Deputy County Counsel



Landscape and Lighting District No. 4, Zone No. 80 - ENTRADA

Zone No. 80 - Entrada Engineer's Report



Prepared by: Hunsaker & Associates, LA Jeannine Giem, AICP, LEED AP 26074 Avenue Hall #23 Santa Clarita, CA 91355 661-705-2228

February 2012



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I. INTRODUCTION

Pursuant to the provisions of the Landscape and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereafter referred to as the "1972 Act"), and in compliance with the substantive and procedural requirements of the California State Constitution Article XIIID (hereafter referred to as the "California Constitution"), the Board of Supervisors of the County of Los Angeles (hereafter referred to as "County"), on behalf of the Los Angeles County Department of Parks and Recreation, has by resolution initiated proceedings in connection with the annexation of specified territory and the establishment of the special benefit assessment zone to be designated as:

Zone No. 80 - Entrada

(hereafter referred to as "Zone No. 80"), within the landscape maintenance district designated as:

Landscaping and Lighting Act District No. 4

(hereafter referred to as "LLA District No. 4") that was formed on July 22, 1997 to annually levy and collect special benefit assessments for the ongoing maintenance and operation of local landscape improvements within specified unincorporated areas of the County that provide special benefits to the properties therein.

The County, through the Department of Parks and Recreation (hereafter referred to as "Agency"), is preparing to take responsibility for the maintenance and servicing of specific local landscape improvements within the public right-of-ways that will provide special benefits to nearby properties. This report has been prepared in connection with the establishment of LLA District No. 4, Zone No. 80 - Entrada and the annual assessments related thereto as required by the provisions of Article 4, Chapter 1, the 1972 Act.

Proposition 218, which appeared on the November 1996 Statewide ballot and now contained in Articles XIIIC and XIIID of the California Constitution, established substantive and procedural requirements for the levy of new or increased assessments including the requirement that all assessments be



supported by a detailed Engineer's Report prepared by a registered professional engineer.

The 1972 Act provides for the levy of annual assessments after formation of an assessment district for the continued maintenance and servicing of district improvements. The act further allows various areas to be classified into a separate zone when the territory in the zone receives substantially the same degree of benefit from the improvements. The costs associated with the installation, maintenance, and service of the improvements may be assessed to those properties, which are benefited by them.

The County may initiate proceedings for the continued maintenance and servicing of the improvements by passing a resolution that generally describes any proposed new improvements, or any substantial changes in existing improvements, and order a registered professional engineer to prepare and file a detailed report.

The report prepared by the engineer must include plans and specifications of the improvements, and estimate of the costs of the improvements, including maintenance and servicing, a diagram describing the assessment district showing the boundary of the district including the parcels or lots which benefit. Once the report has been completed, it is then presented to the County (the legislative body) for its review and approval as presented, or may be modified and approved.

After the report is approved, the County shall adopt a resolution of intent, which declares its intent to levy and collect assessments. That resolution shall generally:

- Describe the improvements, including maintenance and servicing,
- Refer to the assessment district by its distinctive designation,
- Refer to the report for details of the district,
- Set a time for hearing on the levy of the proposed assessment, and
- Direct that each property owner be given a notice of the time and place for the hearing.

With the passage for Proposition 218, a notice is mailed to each of the property owners of record within the district or specific zone that will be subject to a new or increased assessment. The notice shall include a description in general terms, the reason for the assessment and the basis



upon which the amount of the proposed assessment was calculated, the total amount thereof chargeable to the entire district or specific zone, the amount chargeable to the owner's particular parcel, the duration of the payments, together with the date, time, and location of a public hearing on the proposed assessment. Each notice shall also include, in a conspicuous place thereon, a summary of the procedures applicable to the completion, return, and tabulation of the ballots, including a disclosure statement that the existence of a majority protest will result in the assessment not being imposed. The public hearing must be held no fewer than 45 days after the notice is mailed.

Each notice mailed to owners of identified parcels within the district or specific zone shall contain a ballot which includes the agency's address for receipt of the ballot once completed by any owner receiving the notice whereby the owner may indicate his or her name, reasonable identification of the parcel, and his or her support or opposition to the proposed assessment.

At the public hearing, the Board of Supervisors shall accept public testimony and written protests regarding the district and proposed new or increased assessments. During the public hearing, the Board of Supervisors shall consider all protests against the proposed assessment and tabulate the ballots. The Board of Supervisors shall not impose an assessment if there is a majority protest. A majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. In tabulating the ballots, the ballots shall be weighted according to the proportional financial obligation of the affected properties.

Assessments, if authorized by these proceedings, may be placed on the 2012/2013 County tax roll, and be collected with the regular County property taxes.



II. PLANS AND SPECIFICATIONS

The proposed improvements for Zone No. 80 - Entrada include, but are not limited to:

The operation, maintenance, and servicing of landscaping, (including trees, shrubs, grass, and other ornamental vegetation), irrigation systems, and drainage devices, of the slopes located within the street right-of-way and/or designated easements within and/or directly adjacent to the boundaries of Zone No. 80. Although the overall improvements proposed for Zone No. 80 will provide proportional special benefits to each assessed parcel within the Zone, it is anticipated that the improvements will be constructed, installed, and accepted for maintenance by the District in two phases as development of the properties occur. These improvements specifically include, but are not limited to:

- The slope area on the west side of The Old Road between Magic Mountain Parkway and Skyview Lane (identified as a portion of parcel 2826-163-031);
- The slope area which extends from the slope area on the west side of The Old Road (referenced above) and Entertainment Drive (currently identified as a portion of parcels 2826-163-008 and 2826-163-030);
- The slope area on the north side of Magic Mountain Parkway between The Old Road and Media Center Drive (identified as a portion of parcel 2826-163-031);
- The slope/parkway areas on both the east and west sides of Media Center Drive between Magic Mountain Parkway and Entertainment Drive (the slope area on the east side of Media Center Drive is part of parcel 2826-163-031);
- The parkway areas on both sides of Entertainment Drive between Media Center Drive and Skyview Lane;
- The slope area on the south side of Skyview Lane between Entertainment Drive and The Old Road (identified as a portion of parcel 2826-163-031); and,
- The parkway area on the north side of Skyview Lane between Entertainment Drive and The Old Road.



The improvements to be maintained and funded by the assessments include the landscaping and related amenities of the slopes and parkways within the boundaries of Zone No. 80 as depicted in "Attachment E" of this report, which also depicts the proposed phasing of the improvements (two phases). The specific plans and specifications for the improvements to be provided within LLA District No. 4, Zone No. 80 are extensive and are not bound in this report but by this reference are incorporated and made a part for this report. These plans and specifications are on file in the office of the Los Angeles County Department of Parks and Recreation, Special Districts Section, where they are available for public inspection.

Maintenance means:

The furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of the ornamental structures and landscaping, including repair, removal, or replacement of all or part of the ornamental structures and landscaping, irrigation systems and drainage devices, providing for the life growth, health, and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, and treating for disease and pest control or injury; the removal of trimming rubbish, debris, and solid waste.

Servicing means:

The furnishing of electricity for the lighting and operation of the ornamental structures, landscaping, irrigation systems and drainage devices, water for the irrigation and control of the landscaping and the maintenance of any of the ornamental structures, landscaping, irrigation systems and drainage devices.



III. ESTIMATED COST OF THE IMPROVEMENTS

The 1972 Act provides that the estimated costs of the improvements may include the total costs of constructing or installing all proposed improvements and of maintaining and servicing all existing and proposed improvements, including all incidental expenses. This may include a reserve which shall not exceed the estimated costs of maintenance and servicing to December 10 of the fiscal year, or whenever the Agency expects to receive its apportionment of special assessments and tax collections from the County, whichever is later.

The Act also provides that the amount of any surplus, deficit, or contribution be included in the estimated cost of the improvements. The net amount to be assessed on the lots or parcels within each district is the total cost of installation, maintenance, servicing and incidental expenses with adjustments either positive or negative for reserves, surpluses, deficits, and/or contributions.

Estimated costs for improvements related to LLA District No. 4, Zone No. 80 are included as Attachment C. Typical costs for maintenance of landscape improvements are on file in the office of the Los Angeles County Department of Parks and Recreation, Special Districts Section, and are available to the public for review. A description of budget items is included as Attachment B.



IV. ASSESSMENT DIAGRAM

The exterior boundaries of LLA District No. 4, Zone No. 80 is provided in "Attachment D" and each parcel of land therein that is subject to annual assessment is identified by an Assessor's Parcel Number (APN), (Refer to "Attachment A" of this report). The lines and dimensions of each parcel of land shown in "Attachment D" and listed in "Attachment A" are shown on the corresponding Assessor's maps maintained by the County of Los Angeles, Office of the Assessor. Said maps are herein incorporated by reference and include the following Assessor parcels:

- 2826-163-008
- 2826-163-009
- 2826-163-010
- 2826-163-024
- 2826-163-029
- 2826-163-030
- 2826-163-031 (Landscape Easement/Slope not to be assessed)

The Assessment Roll (Attachment A), includes the Assessor's Parcel Numbers, Land Use, Parcel Acreage, Assigned Equivalent Dwelling Units (EDU) and proposed annual assessment for each parcel within the benefit zone for Fiscal Year 2012/2013. Land use and acreage information is based on data obtained from the latest Assessment Roll from the County of Los Angeles, Office of the Assessor.



V. ASSESSMENT

All assessed lots and parcels of real property within the assessment district shall be listed on the Assessment Roll. The assessments identified in Attachment A indicate the net calculated amount to be assessed upon each parcel receiving special benefits and is based on an assessment rate and method of apportionment more fully described in Section VI (Method of Assessment) of this report. The maximum assessment rate calculated for all Zone No. 80 improvements commencing in Fiscal Year 2012/2013 has been calculated to be \$10,171.62 per Equivalent Dwelling Unit (EDU). This maximum assessment rate or "buildout rate" for Zone No. 80 will be subject to an annual inflationary adjustment each fiscal year, which is more fully described below.

However, as previously indicated, the improvements for Zone No. 80 are anticipated to be constructed and accepted for maintenance in two phases, with only Phase 1 improvements being anticipated for maintenance by the District in Fiscal Year 2012/2013. Therefore, based on this planned phasing of the improvements, the assessment rate calculated for Fiscal Year 2012/2013 is **\$6,276.69** per Equivalent Dwelling Unit for LLA District No. 4, Zone No. 80.

Commencing with Fiscal Year 2013/2014, the maximum assessment (maximum assessment rate for Fiscal Year 2012/2013) shall be increased annually, based on the percentage increase in the Consumer Price Index, All Urban Consumer, for the Los Angeles-Riverside-Orange County Area (CPI), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. Each Fiscal Year the engineer shall compute the percentage difference between the CPI for February of each year and the CPI for the previous February, to establish the authorized maximum assessment rate for the upcoming Fiscal Year. The annual assessment to be levied upon parcels within LLA District No. 4, Zone No. 80 each Fiscal Year shall be based on an assessment calculation that does not exceed the adjusted maximum assessment rate established for the Zone. If the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the engineer shall use a revised index or comparable system for determining fluctuations in the cost of living, as approved by the Board of Supervisors.



VI. METHOD OF ASSESSMENT

a) Background

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include but are not limited to the acquisition, construction, installation, maintenance, and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act requires that the cost of these improvements be levied according to benefit received rather than assessed value:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."

The method of apportionment described in this Report for allocation of special benefit assessments utilizes commonly accepted engineering practices and has been established pursuant to the provisions of the 1972 Act and California Constitution and is consistent with the method of apportionment previously established for LLA District No. 4. The formulas used for calculating assessments within Zone No. 80 reflect the composition of parcels within the Zone and the improvements, services, and activities to be provided, and these calculations have been established to fairly apportion costs based on a determination of the proportional special benefits to each parcel.



b) Special Benefit

LLA District No. 4 was formed and subsequent developments have been annexed to this District to provide and establish local landscaping and lighting improvements that directly affect and enhance the presentation of the properties and developments therein. The improvements, the associated costs and the resulting assessments have been carefully reviewed, identified and allocated to the properties within the District and specifically Zone No. 80 based on special benefit pursuant to the provisions of the California Constitution and 1972 Act.

The improvements to be provided by this District and for which properties within Zone No. 80 will be assessed have each been identified as necessary, required and/or desired for the orderly development of those properties to their full potential, consistent with the proposed development plans. As such, these improvements and the subsequent need to operate and maintain these improvements are a direct result of property development within Zone No. 80.

The improvements for which properties will be assessed have been identified as essential components for the development of the properties and establish local amenities that provide a direct reflection of those properties. These localized improvements serve as an extension of those individual private properties into public areas which are shared by each of those parcels and as such, would otherwise be necessary and required of the individual property owners of such properties. Therefore, the ongoing operation, servicing and maintenance of these improvements with or without the establishment of Zone No. 80 would be the financial obligation of those properties. It is therefore reasonable to conclude that the annual cost of ensuring the maintenance and operation of these improvements is considered a particular and distinct benefit (special benefit) to the properties within Zone No. 80.

In conjunction with the provisions of the 1972 Act, the California Constitution Article XIIID addresses several key criteria for the levy of assessments, notably:

Article XIIID Section 2d defines District as follows:



"District means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service."

Article XIIID Section 2i defines Special Benefit as follows:

"Special benefit" means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute "special benefit."

Article XIIID Section 4a defines proportional special benefit assessments as follows:

"An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The method of apportionment (also referred to as the "method of assessment") established herein is based on the premise that each assessed parcel within Zone No. 80 receives special benefits from the improvements to be funded by the assessments, and the desirability and use of those properties is enhanced by well-maintained landscaping in close proximity to those properties. The assessments and method of apportionment is based on the premise that the assessments will be used to provide for the annual maintenance of those improvements, and the assessment revenues generated will be used solely for such purposes.

c) General Benefit

Assessments are established on the basis of calculated proportional special benefit to properties within a district or zone. Because general benefits are not assessable, the general benefit costs must be excluded from the



assessment calculation. In reviewing the improvements associated with Zone No. 80, the proximity of those improvements to properties within the Zone as well as adjacent properties outside of the boundaries of this development, and the reasons for installing and constructing such improvements; it is apparent that the improvements and need to maintain those improvements are exclusively the result of property development within the Zone No. 80 and the condition of these improvements and the level of service associated with such improvements will directly affect only the properties to be included as Zone No. 80.

Although the various landscape improvements are within public areas or easements that may be available or visible to the public at large, the construction and installation of these improvements were only necessary for the development of properties within Zone No. 80, and were neither required nor necessarily desired by any properties or developments outside the Zone boundaries. Therefore, while the proposed improvements may be visually appealing to the occasional motorist and visitor to the area or visible to nearby properties or other developments, such benefits are considered to be incidental and provide no measurable or quantifiable benefit, (neither special or general benefit) to properties outside the Zone or to the public at large, but are clearly a distinct and particular benefit to only properties within the Zone.

d) Apportionment

Therefore it has been determined that the Special Benefit derived from maintenance of the improvements is 100% attributable to the properties within LLA District No. 4, Zone No. 80, and that the proportional special benefit to each lot or parcel is reflected by each lot or parcel's proportional acreage. Attachment A outlines the calculation of the proportional assessable Special Benefit for each lot or parcel of land to be assessed, expressed as EDUs, attributable to each parcel.

It should be noted, there is one parcel within the Zone (Parcel 2826-163-031), that does not receive special benefits from the improvements. This parcel is part of the landscaped improvement area to be maintained and cannot be developed for commercial use and shall not be assessed.



e) Publicly Owned Parcels

In accordance with Section 4 of Article XIIID of the California Constitution, publicly owned parcels are required to be assessed unless they in fact receive no special benefit. There are no publicly-owned parcels within Zone 80.

f) Assessment Calculations

In determining the cost per parcel for Fiscal Year 2012/2013, the total Phase I estimated cost of the improvements (annual operation, maintenance, and servicing expenses, and operating reserves) will be used to determine the amount to be assessed. Based on the improvements to be provided, the total amount to be assessed as special benefits for the 2012/2013 fiscal year is \$86,304.50 (Refer to Attachment C for the calculation of costs). Dividing this amount (\$86,304.50) by the total number of Equivalent Dwelling Units, 13.75 EDUs, establishes an assessment rate of \$6,276.69 per EDU. This rate per EDU multiplied by each parcel's individual EDU, results in the parcel's assessment amount. The total amount to be assessed as special benefits at "buildout" (based on current costs of service) is \$139,859.75 (Refer to Attachment C for the calculation of costs). Dividing this amount (\$139,859.75) by the total number of Equivalent Dwelling Units, (13.75, EDUs) establishes a "buildout" assessment rate of \$10,171.62 per EDU, which is the proposed maximum assessment rate for the 2012/2013 Fiscal Year and will be adjustment each fiscal year for inflation as previously described.

Each assessable parcel in the assessment district and its proposed 2012/2013 assessment and maximum assessment is identified in Attachment A.



VII. CERTIFICATION

I, Jason H. Fukumitsu, P.E. Engineer of Work for the County of Los Angeles, do hereby certify that the foregoing assessments together with the boundary maps attached hereto, are true and correct.

Jasøn H. Fukumitsu, P.E.

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3-6-2012

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Attachment A: Fiscal Year 2012/2013 Assessments

The 2012/2013 Fiscal Year assessments for the Landscape and Lighting Act (LLA) District No. 4, Zone No. 80 - Entrada are outlined below. The assessments for each parcel include both the proposed Fiscal Year 2012/2013 assessments (Phase 1 improvements only) and the maximum assessments (Both Phase 1 and 2 improvements "buildout"). The "Maximum Annual Assessments" represents each parcel's proportional maximum assessment for Fiscal Year 2012/2013 and is the assessment amount to be balloted for each parcel. The "FY 2012/2013 Proposed Assessments" constitute the proposed Assessment Roll to be submitted to the County for collection on the County Tax Rolls for Fiscal Year 2012/2013.

The following table shows the assessment allocation for each parcel and lists the amount for operation and maintenance costs to be assessed to each parcel located within Zone No. 80 commencing Fiscal Year 2012/2013:

Assessment Allocation per Parcel

| APNs | Land Use | Acreage | Equivalent Dwelling Units | FY 2012/2013 Proposed Assessments (Phase I Only) | Maximum Annual Assessments (Buildout) |
|--------------|---------------|---------|---------------------------------|---|--|
| 2826-163-008 | Office-vacant | 1.51 | 1.51 | \$9,477.80 | \$15,359.14 |
| 2826-163-009 | Office-vacant | 1.28 | 1.28 | \$8,034.16 | \$13,019.67 |
| 2826-163-010 | Office-vacant | 1.18 | 1.18 | \$7,406.49 | \$12,002.51 |
| 2826-163-024 | Office | 4.09 | 4.09 | \$25,671.66 | \$41,601.92 |
| 2826-163-029 | Office | 2.30 | 2.30 | \$14,436.38 | \$23,394.72 |
| 2826-163-030 | Office | 3.39 | 3.39 | \$21,277.97 | \$34,481.79 |
| 2826-163-031 | Slope | 5.47 | 0.00 | \$0.00 | \$0.00 |
| Total | | 19.22 | 13.75 | \$86,304.46 | \$139,859.75 |

^{*}Total Proposed Assessment amount is slightly different from Budgeted amount due to rounding.



Attachment B: Description of Budget Items

The following describes the items listed in the assessment district's budget shown in Section III.

Maintenance Contracts

Costs associated with maintenance (labor, material, and equipment) includes all labor, material, and equipment required to properly maintain and service the landscaping, irrigation systems and drainage devices within the assessment district. All improvements within the assessment district will be maintained and serviced on a regular basis. The frequency and specific maintenance operation required will be determined by County staff, but generally, the operations will occur weekly.

Utilities:

Water

The furnishing of water required for the irrigation of the landscaping and the maintenance of the ornamental structures and irrigation systems.

Electric

The furnishing of electricity required for the operation of the ornamental structures, landscaping and irrigation systems.

Telephone

The furnishing of telephone service for irrigation controllers.

Contingency

Repairs that are unforeseen and not normally included in the yearly maintenance cost. This may include repair of damage due to vandalism, storms, and frost. Planned upgrades of the improvements that provide a



direct benefit to the assessment district could also be included in renovation costs. Examples of upgrades are replacing plant materials and/or renovation of irrigation systems. The scope of the contingency does not include geotechnical services or repairs relating to slope failure.

Reserves

Costs to upgrade and/or improve the existing landscaping, irrigation systems, and drainage devices.

Annual Administrative

The cost of all County departmental staff for providing the coordination for maintenance and servicing, responding to public concerns, and levying and collecting assessments.



Attachment C: FY 2012/2013 Budget (Assessment Calculation)

Calculation of Improvement Costs per Square Foot

| Budget Item | Maintenance & Utilities per Sq. Ft. | | Contingency & Reserves per Sq. Ft. | | Annual Admin. per Sq. Ft. | | Total Cost per Sq. Ft. |
|------------------------|---|---|--|---|---------------------------------|---|------------------------------|
| Landscape Area Phase 1 | 0.366 | + | 0.055 | + | 0.084 | = | \$0.505 |
| Landscape Area Phase 2 | 0.366 | + | 0.055 | + | 0.084 | = | \$0.505 |

Calculation of Annual Improvement Costs

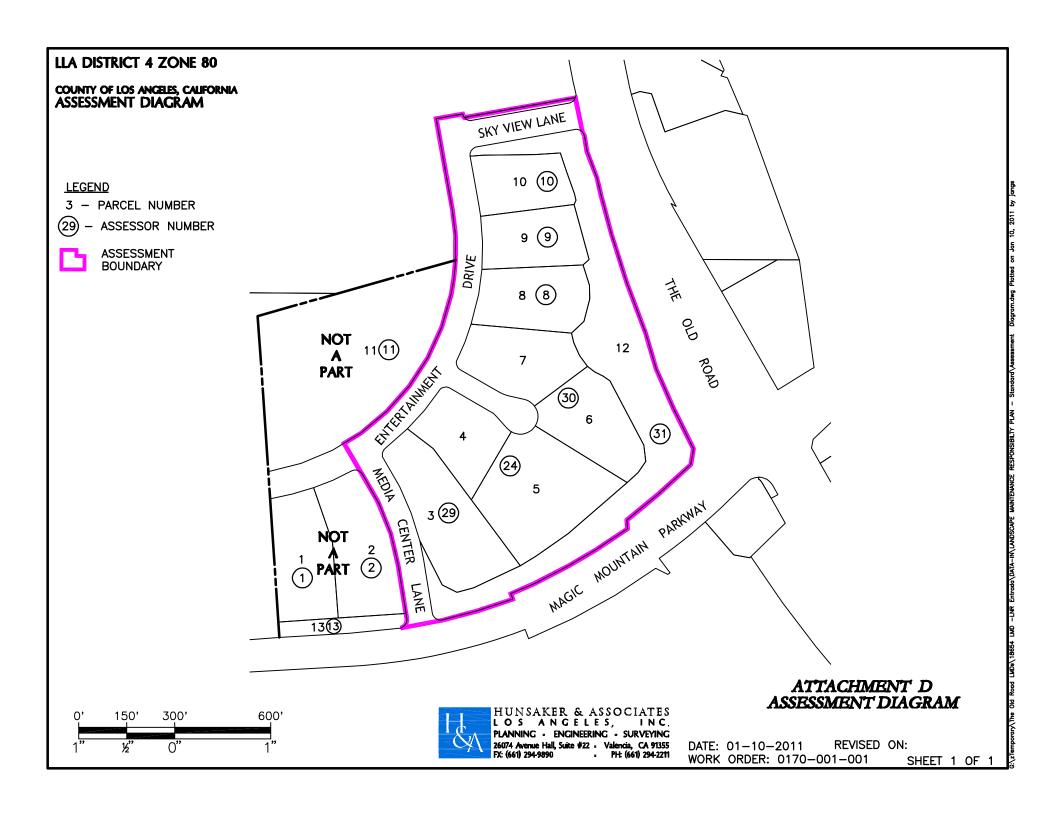
| Budget Item | Total Cost per Sq. Ft. | | Improvemet Area Sq. Ft. | Total Annual Cost |
|---------------------------|------------------------------|---|-------------------------------|-------------------------|
| Landscape Area Phase 1 | \$0.505 | X | 170,900 = | \$86,304.50 |
| Landscape Area Phase 2 | \$0.505 | X | 106,050 = | \$53,555.25 |
| Grand Total | | | 276,950 | \$139,859.75 |



Attachment D: Assessment Diagram



Attachment E: Zone No. 80 Maintenance Areas Exhibit





Attachment E: Zone No. 80 Maintenance Areas Exhibit

